

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 8111**

**BILL NUMBER:** HB 1781

**DATE PREPARED:** Jan 20, 1999

**BILL AMENDED:**

**SUBJECT:** Solid waste disposal in Marion County.

**FISCAL ANALYST:** Kristin Breen

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**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (1) This bill requires a final disposal facility, except an incinerator, located in a county having a consolidated city to collect the state solid waste management fee even if the legislative body of the county has not elected by ordinance to participate in the rules, ordinances, and governmental structures under the law concerning solid waste management districts.

(2) It imposes a fee on the disposal of solid waste in a final disposal facility, except an incinerator, located in a county having a consolidated city of \$1 for each ton of solid waste disposed of in the final disposal facility even if the legislative body of the county has not elected by ordinance to participate in the rules, ordinances, and governmental structures under the law concerning solid waste management districts. It provides that the fees collected must be used to fund programs concerning: (a) recycling and the use of recycled materials; (b) waste reduction; and (c) management of yard waste.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** (1) This provision imposes the \$0.50 per ton state solid waste management fee on the disposal (not incineration) of solid waste in a final disposal facility in Marion County, even if the City-County Council has not adopted an ordinance. Under current statute, this fee does not apply to the disposal or incineration of solid waste in a final disposal facility in Marion County until December 2, 2008, unless an ordinance is adopted earlier.

This would require the Southside Landfill to collect the solid waste management fee. In CY 96 and CY 97, the Southside Landfill received an average of approximately 710,000 tons of solid waste per year, all of which was generated within Indiana. Assuming the average number of tons disposed of in the Southside Landfill remains constant, it is estimated that the imposition of the state solid waste management fee would

generate approximately \$355,000 per year. The actual amount of money that would be generated each year is dependent on the number of tons of solid waste disposed of in the Southside Landfill.

The additional fee revenue would be deposited as follows: (a) not less than 50% in the Indiana Recycling Promotion and Assistance Fund (IRPAF) and (b) not more than 50% in the Solid Waste Management Fund (SWMF). Money in the IRPAF is to be used by the Indiana Recycling and Energy Development Board to promote and assist recycling throughout Indiana by focusing economic development efforts on businesses and projects involving recycling. Money in the SWMF is to be used by the Indiana Department of Environmental Management for grants and loans that provide education and promote recycling and the use of recycled materials, waste reduction and management of yard waste and for grants to implement household hazardous waste source reduction or recycling projects. Money in both the IRPAF and the SWMF does not revert to the state General Fund at the end of the fiscal year.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** (2) This provision imposes a \$1 per ton fee on the disposal (not incineration) of solid waste in a final disposal facility in Marion County, even if the City-County Council has not adopted an ordinance. This fee does not apply to the incineration of solid waste in Marion County until the City-County Council adopts an ordinance, or December 2, 2008, whichever occurs first.

In CY 96 and CY 97, the Southside Landfill received an average of approximately 710,000 tons of solid waste per year, all of which was generated within Indiana. However, the imposition of a final disposal fee may decrease the amount of solid waste that is disposed of there. Assuming the average number of tons disposed of in the Southside Landfill remains constant, it is estimated that the imposition of a \$1 per ton final disposal fee would generate approximately \$710,000 per year. The actual amount of fee revenue that would be generated each year is dependent on the number of tons of solid waste disposed at in the Southside Landfill.

This bill allows the owner or operator of the Southside Landfill to retain 1% of the fee revenue collected as compensation for collecting and remitting the fees. It is estimated that the owner or operator would be allowed to retain approximately \$7,100 per year. This would leave an estimated \$702,900 for Marion County's general fund. Fee revenue deposited into the county general fund is to be used to fund programs concerning: (a) recycling and the use of recycled materials; (b) waste reduction; and (c) management of yard waste.

**State Agencies Affected:** Indiana Department of Environmental Management; Indiana Recycling and Energy Development Board.

**Local Agencies Affected:** Marion County

**Information Sources:** The Indiana Department of Environmental Management's *1997 Summary of Indiana Solid Waste Facility Data* and *1996 Indiana Solid Waste Facility Annual Report*.